

Supplier Quality Performance and OTD Rating Procedure

Performance ratings for each supplier are based on the number of lots received and the number of lots accepted.

NOTE: Suppliers who did not provide material to AVOX during the quarter will not receive a Supplier Quarterly Report

All accepted lots shall receive a performance score multiplier of one (1).

A supplier will not be charged with a rejection if the cause of the variance is found to be other than his responsibility. The Supplier Quality Performance entry will be corrected to reflect this change.

NOTE: Under those circumstances the supplier will receive a performance rating equivalent to an accepted lot.

A supplier Quality Performance Report shall be generated on a quarterly basis.

Each supplier's quality performance will be determined and reported on a quarterly basis. The computation will be made for the current quarter and year-to-date. For the purpose of this procedure, a calendar year shall be used.

The formula for determining a supplier's quality performance rating for is as follows:

$$SQPR = \frac{L_R - L_N}{L_R} \times 100$$

Where $SQPR_Q$ - Supplier Quality Performance Rating Quarter
(one only)

L_R - Lots Received

L_N - Lots Nonconforming

Quality performance scores are equated as follows:

99 – 100%	= Preferred
98 – 98.9%	= Acceptable
95 – 97.9%	= Marginal
90 – 94.9%	= Requires Immediate Improvement
Below 90%	= Unacceptable

Supplier On Time Delivery Rating Procedure

Supplier on time delivery criteria is based on the delivery date that appears on the purchase order. The date is considered the "on dock" date and cannot be more than 5 days early and 0 days late.

The **Goal** for supplier On Time Delivery is **100 %**